

HOUSE BILL NO. 588

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws

on _____)

(Patron Prior to Substitute--Delegate McClure)

A BILL to amend and reenact § 55.1-1240 of the Code of Virginia, relating to Virginia Residential Landlord and Tenant Act; fire or casualty damage; termination by landlord.

Be it enacted by the General Assembly of Virginia:

1. That § 55.1-1240 of the Code of Virginia is amended and reenacted as follows:

§ 55.1-1240. Fire or casualty damage.

A. If the dwelling unit or premises is damaged or destroyed by fire or casualty to an extent that the tenant's enjoyment of the dwelling unit is substantially impaired or ~~required~~ the unit requires repairs that can only be accomplished if the tenant vacates the dwelling unit, either the tenant or the landlord may terminate the rental agreement.

B. The tenant may terminate the rental agreement by vacating the premises and within ~~14~~ 21 days thereafter, serving on the landlord a written notice of his intention to terminate the rental agreement, in which case the rental agreement terminates as of the date of vacating. If continued occupancy is lawful, § 55.1-1411 shall apply.

C. The landlord may terminate the rental agreement by giving the tenant ~~14~~ 21 days' notice of his intention to terminate the rental agreement ~~on the basis of the landlord's determination if, prior to giving~~ the tenant such notice, he:

1. (i) Has met with or has made a reasonable effort to meet with the tenant to discuss the extent of the damage to the tenant's unit and whether any reasonable alternatives to terminating the rental agreement are available and (ii) has determined whether a substantially similar unit within the same complex is available for rent within a reasonable time for the tenant to move into such unit and if so, has offered to lease such unit to the tenant under the tenant's current lease terms. If the landlord has met the requirements

27 of this subdivision and the landlord has determined that such damage requires the removal of the tenant
28 and that the use of the premises is substantially impaired, ~~in which case the rental agreement terminates~~
29 shall terminate as of the expiration of the notice period; or

30 2. The landlord has determined that the fire or casualty damage was caused by the tenant's violation
31 of § 55.1-1227.

32 D. Within seven days of receiving the termination notice pursuant to subdivision C 1, a tenant may
33 make a written request to have the landlord reevaluate the extent of the damage and habitability of the
34 tenant's unit. The landlord shall involve the tenant in the reevaluation process. If, after meeting with the
35 tenant or making a reasonable effort to meet with the tenant, the landlord determines that such damage
36 requires the removal of the tenant and that the use of the premises is substantially impaired, the rental
37 agreement shall terminate at the expiration of the original notice period.

38 E. If the rental agreement is terminated, the landlord shall return all security deposits in accordance
39 with § 55.1-1226 and prepaid rent, plus accrued interest, recoverable by law unless the landlord reasonably
40 believes that the tenant, an authorized occupant, or a guest or invitee of the tenant was the cause of the
41 damage or casualty, in which case the landlord shall provide a written statement to the tenant for the
42 security and prepaid rent, plus accrued interest based upon the damage or casualty, and may recover actual
43 damages sustained pursuant to § 55.1-1251. Proration for rent in the event of termination or apportionment
44 shall be made as of the date of the casualty.

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